

Advanced Management Program

Were We Ready for Change?

A Case Study of Mandatory
Reductions at

Marine Corps Maintenance Center
Albany, Georgia

March 2003 AMP



Tench ¹⁴ Francis
School of
Business

Agenda

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Team Members

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Introduction

- Proactive management is necessary for successful transformation
 - Failures to manage correctly
 - Mission degradation
 - Unrealized cost avoidance or expected savings
 - Unnecessary organizational churn
 - Low morale
 - Let's consider a specific example
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Case Study



Marine Corps Maintenance Center
Albany, Georgia

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Case Study (cont.)

Background

- Mission of MCMC Albany
- Volume of Business: \$80 - \$100 million annually
- Employees prior to and after change

Mandate in FY99

- Reduce funding 30% in FY00 -FY03
- Reduce funding 10% each year
- Maintain same mission



Case Study (cont.)

The plan was to reduce staffing by 30% over 3 year period beginning FY01

- Vehicles used for reduction of staff:
 - VISP/VERAs
- Results:
 - Workforce average age change:
FY99 = 52 → FY03 = 48
 - Total employee reduction was:
Net 86 vice 200 target (FY01/02)
 - Forced to rehire critical skills

ter's 8 Steps to Transformation[®]

(NAVSUP Transformation Website)

1. Establish a Sense of Urgency
 2. Forming a Powerful Guiding Coalition
 3. Creating a Vision
 4. Communicating the Vision
 5. Empowering Others to Act on the Vision
 6. Planning for and Creating Short Term Wins
 7. Consolidating Improvements & Producing Still More Changes
 8. ~~Institutionalizing New Approaches~~
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Were We Ready?

- Used a survey called the Change Readiness Assessment which evaluates the organization across eight general factors

- Participants:
 - 3 Upper managers (GS-14/15)
 - 3 Middle managers (GS-12/14)
 - 4 First line supervisors (WS)



Were We Ready? (cont.)¹⁰

The quantitative results are summarized as follows:

Upper Management:	48.5
Middle Management:	50.8
1 st Line Supervisors:	78.8
Overall Average:	60.8

To score the survey, points are added up as follows:

110 points or more
change

You are in excellent shape to implement this

90-109

You are in good shape, but could fine-tune some areas

70-89

Your change effort will be slowed by the level of AMP

readiness

What Did We Learn?

- VERA/VSIP not effective in a multi-year workforce reduction
 - Strategy with short-term “wins” could help focus the organization
 - A shared vision throughout the organization is necessary for buy-in and to fully manage the change
 - Coordinating and communicating goals are critical to successful implementation
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MCMC Today

- Change in leadership
- ISO 9001
- Using collaborative change techniques
- Seeking input from staff
- Preparing for change
- Theory of constraints
- Reduced cycle times
- Positive net operating results
- Positive accumulated operating results



Best Management Practice¹³

- Survey and assess results of your organization's readiness for change
 - Evaluate targets
 - Prepare organization
 - Communicate before, during & after...
 - Deal with and don't ignore the unknown
 - Learn from others -- private industry & DoD
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Recommendations

- Increase awareness throughout DoD:
 - Training in classes such as Navy PCO/PXO Leadership Course
 - Education through publications and internet
 - Training on the implications of using VISP/VI



Recommendations (cont.¹⁵)

- The curriculum should include:
 - Best practices when implementing changes
 - Early and continuous planning for change
 - Clearly defining the required end-state or goal
 - Communicating goals throughout the organization
 - Developing FAQs, and reviewing lessons learned
 - Looking long term and resist temptation for “low ha
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Question
s?

